



Department of Housing and  
Community Development

# EXPANSION OF HOUSING OPTIONS FOR THE HOMELESS PROGRAM

## APPLICATION MANUAL

*Department of Housing and Community Development  
Housing and Homeless Assistance Unit  
The Jackson Center  
501 North Second Street  
Richmond, Virginia 23219*

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Links: [www.hudclips.org](http://www.hudclips.org)

Income Limits and Fair Market Rents

Housing Quality Standards Inspection Form (HUD-52580)

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## INTRODUCTION

The Expansion of Housing Option for the Homeless Program (Expansion) is funded through an appropriation from the Virginia General Assembly and administered by the Virginia Department of Housing and Community Development (DHCD). Additional funds are provided for the HOME Program through appropriations from the U.S. Department of Housing and Urban Development and administered by DHCD.

Expansion funds are offered as a grant in an amount up to \$200,000 for each individual project.

In the Consolidated Plan for Housing and Community Development Programs 2003, as approved by the U.S. Department of Housing and Urban Development, one of the priorities identified is to “Provide support and coordinate services to meet the needs of the homeless and at-risk populations” (p.10). Strategy B under this priority states that DHCD will “Continue the provision of safe and sanitary emergency shelter which meets basic needs and provides necessary supportive services”(p.11). This strategy will be accomplished, in part, through the use of the Expansion program to increase the number of emergency shelter and transitional housing beds to homeless individuals and families in Virginia, emphasizing facilities that offer a comprehensive self-sufficiency program for their residents.

**Note: HOME funds may not be used for Emergency Shelter projects. HOME funds may be used for Transitional housing projects. Funds appropriated by the state may be used for Emergency Shelter projects or Transitional housing projects.**

## GOAL

The goal of the Expansion program is to increase the capacity of the Commonwealth’s shelter stock to accommodate the need for shelter among homeless individuals and families and to encourage the development or continuance of comprehensive self-sufficiency programs.

## ELIGIBLE APPLICANTS

Eligible applicants for the Expansion program are nonprofit organizations, units of local government and public housing authorities who currently provide, or plan to provide, shelter and services to homeless individuals or families in Virginia.

## APPLICATION DUE DATE

Applications that meet certain threshold requirements will be accepted on an open basis at any time during the fiscal year except when the program is closed due to a lack of funds or other unavoidable reasons. Applicants are strongly encouraged to discuss the planned project with DHCD staff prior to submitting an application.

## **APPLICATION FORMAT**

All applications must be presented in a standard three ring binder with clearly labeled tabs for each major section and all attachments. Submit one original and two copies of the application. Only one copy of plans and architectural drawings should be submitted. Please submit applications to:

Department of Housing and Community Development  
Housing and Homeless Assistance Unit  
The Jackson Center  
501 North Second Street  
Richmond, Virginia 23219

## **FUNDING PRIORITIES**

### ***PRIORITY ONE:***

#### **Acquisition and Rehabilitation**

Expansion funds may be used to purchase and/or rehabilitate residential and non-residential properties into emergency shelter or transitional housing facilities.

#### **Rehabilitation**

Expansion funds may be used to rehabilitate existing properties provided that the number of existing emergency shelter or transitional housing beds is increased by a number agreed upon by the applicant and DHCD and in accordance with the identified need and the scope of the planned project.

#### **New Construction**

Expansion funds may be used for the new construction of emergency shelter or transitional housing facilities, including the acquisition of land, the cost of construction, and the addition of new units added outside the original wall of an existing emergency shelter or transitional housing facility, provided that the number of existing beds are increased a number agreed upon by the applicant and DHCD and in accordance with the identified need and the scope of the planned project.

## ***PRIORITY TWO:***

### **Refinancing or Acquisition of Presently Operating Facilities**

Projects seeking Expansion funds to refinance an existing mortgage or to acquire a facility that is presently being operated as an emergency shelter or transitional housing facility will be considered only on the strength of the documentation that without Expansion funds the existing beds will be lost. DHCD will have discretion regarding the eligibility of any application requesting grant funds for these purposes.

## **THRESHOLD REQUIRMENTS**

All applicants must meet or exceed all the following threshold requirements before a project can be evaluated.

- Public Purpose
- Program Design
- Project Readiness
- Project Feasibility
- Administrative Capacity

## **MAXIMUM ASSISTANCE**

The maximum funding assistance per project is \$200,000. Under no circumstances will the Expansion award exceed the actual eligible cost of the project.

## **FUNDING TERMS AND CONDITIONS**

All State Expansion funds are offered as grants. Recipients of Expansion program funds are required to utilize the facilities assisted with Expansion funds as a residential facility for homeless persons for a minimum of ten (10) years from the signed contract date. The grant is subject to repayment if the recipient violates any program requirements, including the term for which the facility will be used to shelter homeless persons.

## **PROJECT TIMING**

The maximum term for project completion is two years from the date the commitment is executed. Projects that cannot be completed within this time frame must request an extension from DHCD and provide a reasonable explanation for the delay in completing the project. Extensions will be granted at the discretion of DHCD.

## DISPLACEMENT

Projects, which cause displacement of individuals or families, are discouraged. If displacement will occur, applicants must include information on the number of tenants to be displaced, income level and the length of displacement (i.e., temporary or permanent). Applicants must also provide a proposed relocation plan and procedures as part of the application.

## OCCUPANCY REQUIREMENTS

Expansion funds may be used only to provide residential facilities for low-and-moderate income homeless families and /or individuals. All project sponsors will be required to reserve one hundred percent (100%) of the beds assisted with Expansion funds for homeless persons with incomes below eighty percent (80%) of the area median income, as published by the U.S. Department of Housing and Urban Development ( [www.hud.gov](http://www.hud.gov) ).

## PROGRAM TARGETING

- Grantees receiving HOME funds must use 100 percent of its HOME funds to assist families with incomes below 80 percent of the area median income.
- Families must occupy 20 percent of the units in each transitional housing project containing five or more units with incomes at or below 50 percent of median income.

## LONG-TERM AFFORDABILITY

### Affordability Periods

- For transitional projects, the length of the affordability period depends on the amount of the HOME investment in the property and the nature of the activity funded. The table below provides the affordability periods.

HOME Investment Per unit	Length of the Affordability Period
Less than \$15,000	5 years
\$15,000-\$40,000	10 years
More than \$40,000	15 years
New construction of transitional housing	20 years
Refinancing of transitional housing	15 years

### Occupancy

- Throughout the affordability period, income-eligible households must occupy the HOME-assisted housing.

## **PROPERTY STANDARDS**

All HOME assisted units must meet local codes and standards. In the absence of local codes, housing should conform to the statewide codes identified in the program rule at 24 CFR Part 92.251.

## **INELIGIBLE ACTIVITIES**

Expansion funds may not be for luxury improvements, construction or rehabilitation prior to the approved project period, construction or rehabilitation that is unrelated to the emergency shelter or transitional housing facility, construction or rehabilitation for facilities that do not provide residential accommodations, or operational and administrative expenses.

## **UNDERWRITING**

DHCD staff will review proposed projects and preliminary underwriting preformed.

The length of the underwriting phase will depend on the circumstances of each individual application, but will take a minimum of 90 days. If an applicant is approved for an Expansion award, a commitment will be issued accompanied by the appropriate grant agreement. During the underwriting phase, the applicant may be asked to submit a fee to cover the cost of an appraisal. The applicant should not order an appraisal; if an appraisal is necessary, DHCD will notify the applicant.

## **GRANT-TO-VALUE RATIO**

The grant-to-value ratio is based on the appraised value of the structure after construction or after completion of rehabilitation activities. In some cases, at the discretion of DHCD, the assessed value may be substituted for an appraisal. A grant-to-value ratio of up to one hundred percent (100%) will be considered. Under special circumstances, DHCD may permit a higher ratio. Under no circumstances will the Expansion award exceed actual cost.

## **LOAN SECURTY REQUIREMENTS**

ALL Expansion funds will be secured by a lien placed on the property. The lien will remain in place until the grant term has expired.

The Expansion program requires a first or second lien position. A subordinate lien position will be accepted only when there is an existing mortgage or when the primary financing is being provided from another source.

## **GRANT REQUIREMENTS**

The following are typical grant requirements under this program, as appropriate for each individual project:

- Deed of Trust
- Grant Agreement
- Request for Disbursement

- Survey and Surveyor's Certificate
- Title Insurance Policy
- Insurance Policies and Certificates
- Form of Lease
- Certificate of Tenant Eligibility
- Building Permits
- Certificate of Occupancy
- Verification of Taxpayer Identification Number
- Phase I Environment Assessment
- AIA Owner-Architect Agreement
- AIA Construction Contract
- Special Conditions

## **TERMITE INSPECTION**

As a condition of the grant, a pest control company acceptable to DHCD must inspect the property for wood infestation. The property must also be treated, regardless of the findings, and the project sponsor should receive a one-year guarantee against infestation. The cost of the inspection and the treatment may be included in the project budget.

## **INSURANCE REQUIREMENTS**

The insurance requirements are outlined in Appendix 2 of this manual. Projects must be insured for general liability, property damage, and hazards. When applicable, flood insurance must be carried.

## **ENVIRONMENTAL ASSESSMENT**

As a condition of closing, and prior to any construction activities, applicants must conduct a Phase I Assessment as described in the Environmental Management Procedures of the Federal National Mortgage Association. A preliminary environmental review must be included with the application. Key areas of compliance are noise, air quality, wetlands, floodplain, water quality, solid waste disposal, hazardous materials, endangered species, and historical properties. Appendix 3 of the manual, the Environmental Checklist, should be included as Attachment V of your application.

## **APPLICABLE LAWS AND REGULATIONS**

Applicants should be aware of the state and federal laws that govern activities to be funded under Expansion. Applicable laws and regulations include, but are not limited to:

- *Americans with Disabilities Act (ADA)*

A Federal law requires certain facilities to be barrier-free, allowing equal access to public accommodations and residential facilities for persons with physical disabilities.



➤ Fair Housing

Laws prohibit discrimination in housing because of race, color, religion, sex, national origin, familial status, handicap, or age. For information on these laws contact the Virginia Department of Commerce, 3600 West Broad Street, Richmond, Virginia 23230, (804) 367-8530.

➤ Housing Quality Standards (HQS)

Federal Requirements that all facilities must meet certain standards before occupancy. All facilities using Expansion funds must meet these standards for the duration of the funding agreement. A sample HQS inspection form may be found on the HUD website [www.hud.gov](http://www.hud.gov) under the subtitle for forms.

➤ Lead-Based Paint Poisoning Prevention Act

Federal law governing the testing and abatement activities for properties containing lead-based paint, usually not found on properties built after 1978.

## **CONSTRUCTION FINANCING**

For new construction funds will be disbursed according to the following parameters:

- Construction draws will not exceed four;
- Funds will be disbursed in order of lien position;
- Inspection by DHCD staff or other persons approved by DHCD will be conducted before each draw and no funds will be disbursed until the work meets DHCD's satisfaction;
- The total amount disbursed cannot exceed the assessed value of the existing facility and /or land;
- Receipts and/or invoices must be presented with each request for disbursement;
- The final draw amount cannot be less than ten percent (10%) of the total Expansion award; and
- The final disbursement will not occur until all work has been completed to DHCD's satisfaction and a certificate of occupancy submitted.
- Expansion uses the following disbursement schedule:
  - 30% completion
  - 30% completion
  - 30% completion
  - 10% final draw

## **ASSUMPTIONS**

Grants made under this program shall be assumable, with the permission of DHCD, so long as the property use, income and occupancy restrictions, housing condition, and other state requirements are observed by the owner.

## **REPORTING AND MONITORING**

- Income Certifications are required at initial occupancy for each household entering a transitional housing project with annual re-certifications as appropriate. Project sponsors must submit a tenant roll, including the income of each tenant household, to DHCD on an annual basis.
- Physical inspections will be made on a regular basis for compliance with HQS and all performance requirements.
- Projects sponsors are required to submit an annual audit or audited financial statements for each year of the term of the Expansion grant.
- An annual fire inspection report, completed by a Fire Inspector, must be submitted to DHCD. This report should state that the facility was found to be in compliance with the Statewide Fire Protection Code. If a facility is found not to be in compliance, a plan of action to correct the violations should be submitted with the report. Reports of re-inspection by the Fire Inspector must be submitted as soon as they are available.

## **TARGET POPULATION**

Applicants should identify the target population they expect to serve (families, women and children, single males, victims of domestic violence, etc.). Project sponsors using state funds are expected to continue to serve the designated population(s) throughout the 10-year term of the contract between the sponsor and DHCD. Project sponsors using HOME funds must serve the designated population for 15 years.

## **SUPPORTIVE SERVICES**

The Expansion program is designed to finance the capitol costs of housing with supportive services for homeless persons. The supportive services provided should be specifically oriented to meeting the identified needs of the targeted population. Applicants must provide a complete description of the services that will be offered to the proposed target population. While DHCD will evaluate the proposed services as a part of the application review process, no services may be funded with the Expansion funds.

All services offered to residents must be clearly defined and service providers must be identified. DHCD reserves the right to request an outside review of the adequacy and sufficiency of the proposed supportive service program. An appropriate agency or individual at the expense of the applicant will conduct this review.

## MAXIMUM RENT AMOUNTS

Emergency shelters receiving assistance under the Expansion program are prohibited from charging the residents rent for the term of the contract between the project sponsor and DHCD. Transitional facilities may charge rent provided that rent does not exceed thirty percent (30%) of the resident's total household income.

## DESCRIPTION OF THRESHOLD REQUIREMENTS

Applicants must meet or exceed all of the following threshold requirements before a project can be considered for an Expansion award:

➤ Public Purpose

The applicant must provide a narrative, which documents the need for the proposed project. The narrative must describe the specific homeless population to be served and explain why this was selected. The narrative should include the number of homeless persons, from the targeted population(s) if available, in the applicant's service area, the number of turnaways from existing emergency shelter or transitional housing facilities in the service area, and other information demonstrating the need for the proposed project. If a local or regional Continuum of Care Plan has been prepared, the need for the proposed project must be related to the needs and priorities identified in the Continuum of Care. The narrative should be placed in the section labeled "Public Purpose" in your application. Letters from local and/or regional officials and service providers, or copies of the relevant section(s) of documents verifying the need for your proposed project should be included as ATTACHMENT C.

➤ Program Design

The applicant must provide a narrative describing in detail the supportive services that are and will be part of the in-house program or provided through linkages in the service area. Letters from other agencies or services providers documenting the provision of services through linkages should be included in the application. The narrative should describe the screening, intake, and orientation procedures for new residents.

Finally, the narrative must include a description of the proposed facility's life/safety policies and procedures. The policies and practices which protect the health and safety of residents, staff, and visitors, include, but are not limited to, drug-free shelter and workplace policies, frequency of fire drills, methods of notification of fire escape routes, methods of eliminating or minimizing exposure to blood borne pathogens, and plans for cleaning the shelter, especially food preparation and food service areas. If the Expansion application is for expansion of a currently operating facility, a copy of a fire inspection report dated a maximum of one year prior to submission of the application, as well as documentation of any corrective measures taken, must be included.

➤ Project Readiness

The applicant must provide documented evidence of site control in the form of an Option to Purchase, a Purchase Contract, a Deed, or a Lease Agreement with a minimum term of five years, renewable for an additional five years.

The applicant must provide evidence that the property is zoned appropriately for the proposed use. Such documentation should be in the form of a letter from the local authorized zoning official or a copy of the portion of the local zoning map which clearly indicated the zoning designation of the proposed site and a copy of the corresponding zoning ordinance which defines the allowable uses for that designation.

The applicant must provide preliminary plans, with dimensions, elevations, and a typical room layout; specifications or a work write up and a site plan, if appropriate; and evidence of a working relationship with an architect or engineer who will be preparing plans and specifications for the project.

➤ Project Feasibility

A complete development budget, with adequate documentation of both the sources and uses of funds, development financing, and project time line must be included as a part of the Expansion application.

An operation budget for each of the five years following the completion of the Expansion project must be included. The projections of operating expenses must include documentation of the sources and uses of funds, as available.

➤ Administrative Capacity

The applicant must include documentation of the project owner/sponsor's experience in the provision of shelter and services to homeless persons or other low-income persons, the experience of the development team for the Expansion project, and the experience of the property management team.

In addition, the project sponsor's organizational structure, current and proposed staffing pattern, and minimum qualification for each staff position, including position descriptions, must be submitted in the application.

## **APPLICATION PARAMETERS**

All applications must be presented in a standard three ring binder with clearly labeled tabs for each major section and all attachments. See page 21 of the Expansion Application for a list of attachments to be included as a part of your application. All forms provided in the Expansion Application must be used. Do not recreate these forms on a computer or typewriter. It is important for the application review team to be able to distinguish each section of the application easily and quickly. Applications that do not meet these parameters and are not prepared according to the instructions in the Expansion Application will not be reviewed.

# Appendixes

## **Expansion Program First Mortgage Insurance Requirements**

1. A company must be rated at least B+ in Best's Guide.
2. A company's financial category in Best's Guide must be at least ten times the amount of coverage. If the financial criteria are low, a Reinsurance Certificate will be required.
3. A company must be licensed or admitted for Virginia.
4. A mutual or reciprocal company must be non-assessable.
5. All-Risk and Replacement Cost coverage are required.
6. Prior to closing, if rehabilitation or improvements which would increase the hazard at a location are necessary, the mortgagor must provide the Virginia Department of Housing and Community Development with a certificate from an insurance company acceptable to the Department to the effect that it has insurance as would be the equivalent of the coverage that would be provided by a builder's risk policy with All-Risk coverage on a completed value basis for the full insurable value covering the interests of the mortgagor, the Department and any general contractor (with a waiver against subrogation against subcontractors and workers) upon all work incorporated in the development and all materials on or about the property intended for permanent uses in the development, or incident to the installation of the improvements thereof, but not including the machinery, tools or equipment of any general contractor, subcontractors or other workers. Such builder's risk insurance or equivalent shall contain a standard mortgagee clause and shall make losses payable to the Department, the mortgagor or the general contractor as their interest may appear, provided there is no default under the loan documents in which event the Department shall receive such payments. The insuring company as adequate substitution for the required builder's risk coverage permits an endorsement to the All-Risk property insurance policy recognizing the additional risk is acceptable to the Department if such.
7. Upon completion of the rehabilitation or improvements, the mortgagor must provide the Department with a certificate from an insurance company acceptable to the Department evidencing All-Risk and Replacement Cost coverage.
8. The coverage amount must be in an amount equal to at least the full replacement cost. It is the responsibility of the mortgagor and insuring company, not the Department, to establish the replacement value. While coverage for the full mortgage amount is not usually required, the mortgagor must justify large deviations from this figure.
9. If a co-insurance factor is applicable, the amount of coverage must be sufficient to comply with the designated percentage.
10. Agreed Amount coverage is recommended. Such coverage (up to the mortgage amount) will be required in the case of a disputed coverage amount.
11. Business personal property coverage for personal property located on site (office equipment, community room/building furnishings, laundry facilities, lawn and maintenance equipment, etc.) is required.

12. If applicable, Loss of Rents coverage in the amount of one year's gross potential rental income is required. This figure must be updated as rent increases are applied.
13. The Department must be listed as the mortgagee and loss payee as follows:  
Virginia Department of Housing and Community Development  
Housing and Homeless Assistance Unit  
The Jackson Center  
501 North Second Street  
Richmond, Virginia 23219
14. The subrogation clause should include the following wording:  
  
This insurance shall not be invalidated should the insured waive in writing prior to a loss any or all right of recovery against any party for loss occurring to the property described herein.
15. The cancellation clause must read as follows:  
  
Thirty days written notice of cancellation, expiration, termination or material change will be sent to:  
Virginia Department of Housing and Community Development  
Housing and Homeless Assistance Unit  
The Jackson Center  
501 North Second Street  
Richmond, Virginia 23219
16. If the policy's liability coverage is low, a certificate evidencing excess/umbrella liability coverage must be submitted. Such excess coverage must adhere to all requirements set forth in this listing. Excess/umbrella coverage is recommended.
17. If applicable, flood insurance must be carried.
18. The following coverage, if applicable, are required: Boiler & Machinery/steam boiler explosion, elevator, plate glass, outdoor sign, commercial space, automobile, plus any other coverage unique to the development.
19. Any other coverage, which the mortgagor feels are needed should be added to the policy.
20. Broad form comprehensive general liability coverage with limits of \$500,000/\$1,000,000 for bodily injury and \$100,000/\$200,000 for property damage must be carried. The mortgagor must maintain policies of insurance against such other hazards, casualties and contingencies as the Department determines necessary. Such will be specified upon receipt and review of the Certificate of Insurance. A duplicate original policy(ies) must be submitted to the Department prior to closing.

## Expansion Program Environmental Checklist

Project Name: \_\_\_\_\_

Location: \_\_\_\_\_.

### Impact Categories

*Please answer “yes” or “no” to the following question. Explain all “yes” responses.*

- Historic Property

\_\_\_\_\_ Is the property listed on the National Register of Historic Places?

\_\_\_\_\_ Is the property near a historic property or district?

\_\_\_\_\_ Is the property’s use compatible to other uses in the area?

Explain:

- Floodplain

\_\_\_\_\_ Is the site located in a Floodplain Zone? If yes, which one?

Explain:

- Air quality

\_\_\_\_\_ Does the Virginia Department of Environmental Quality identify the project within a non-attainment area as?

Explain:

- Noise

\_\_\_\_\_ Are any railroads located within 3000 feet of the project? If yes, are any within normal sight distance?

\_\_\_\_\_ Are any major arterial roadways located within 1000 feet of the project? If yes, are they within normal sight distance?

\_\_\_\_\_ Are there any airports within 15 miles of the project? If yes, is the project located in a high noise zone?

Explain:

- Hazardous Materials

\_\_\_\_\_ Are there above ground storage tanks with a capacity of over 5000 gallons within normal sight distance? If yes, how many? \_\_\_\_\_ List the substance(s) that are kept in the storage tanks

\_\_\_\_\_ Are there underground storage tanks on the property?

Explain

### Water Quality and Wetlands

*Please answer “yes” or “no” to the following question.*

\_\_\_\_\_ Are there any bodies of water within sight of the property? If yes, state type:

List Other Environmental Concerns:



**OPERATING BUDGET for YEARS 2 through 5**  
(Use your best estimates for both sources and uses of funds.)

<b>A. Income</b>	<b>YEAR 2</b>	<b>YEAR 3</b>	<b>YEAR 4</b>	<b>YEAR 5</b>
Federal Government	\$	\$	\$	\$
State Government				
Local Government				
Foundations/Grants				
Private Contributions				
Fund-Raising				
Fees/Rental Income				
<b>Total Potential Gross Income</b>	\$	\$	\$	\$
<b>B. Operating Uses</b>				
<b>1. <u>Administrative</u></b>				
Advertising/Marketing	\$	\$	\$	\$
Management Fee				
Legal				
Accounting/Audit/Audited Financial Statements				
Administrative Payroll/ Payroll Taxes				
Other Administrative				
<b>2. <u>Maintenance</u></b>	<b>YEAR 2</b>	<b>YEAR 3</b>	<b>YEAR 4</b>	<b>YEAR 5</b>

Maintenance Supplies/Equipment				
Contracted Services				
Maintenance Payroll/Payroll Taxes				
Other Maintenance				
<b>3. <u>Operating</u></b>				
Fuel (Heating and Hot Water)				
Electricity				
Water/Sewer				
Furniture/Equipment				
Gas				
Trash Removal				
Other Payroll/Payroll Taxes				
Staff Apartment(s)				
Insurance				
Real Estate Taxes				
Other Taxes				
Replacement Reserve (6% of Total Development Costs)				
Security				
Other Operating				

<b>4. <u>Services</u></b>	<b>YEAR 2</b>	<b>YEAR 3</b>	<b>YEAR 4</b>	<b>YEAR 5</b>
Food	\$	\$	\$	\$
Transportation				
Household Supplies				
Personal Care Supplies				
Day Care				
Supportive Service Staff Payroll/Payroll Taxes				
Other Service Costs				
<b>Total Operating Expenses (sum of B1 - B4)</b>	\$	\$	\$	\$
<b>Total Operating Expense Per Bed or Per Unit</b>	\$	\$	\$	\$
<b>Total Operating Expense as a Percentage of Gross Income</b>	%	%	%	%
<b>C. Cash Flow</b>	<b>YEAR 2</b>	<b>YEAR 3</b>	<b>YEAR 4</b>	<b>YEAR 5</b>
1. Total Potential Gross Income	\$	\$	\$	\$
2. Total Operating Expenses	\$	\$	\$	\$
3. Net Operating Income (C1 less C2)	\$	\$	\$	\$
4. Total Annual Debt Service	\$	\$	\$	
5. Cash Flow Available for Distribution (C3 less C4)	\$	\$	\$	\$

## DEFINITIONS

***Acquisition*** means the purchase of real property.

***Accessibility improvement*** means a modification to a property to make it more accessible to individuals with physical impairments.

***Applicant*** means an incorporated nonprofit organization or a unit of local government that makes application for funds under the Expansion Program.

***Application*** is the completed document provided as an Attachment to the Application Manual, which serves as a written request for a grant under the Expansion Program.

***Appraised value*** means the monetary worth of property as determined by an appraiser.

***Area median income*** means the median income established by the U. S. Department of Housing and Urban Development for various jurisdictions of the State.

***Assessed value*** is the monetary worth of the facility/property as determined by the real estate assessment office of the local government for tax purposes where the same is located. The applicable assessed value will be that value in effect as of the application date.

***Construction loan*** means short-term financing to cover the cost of site acquisition and building construction.

***DHCD*** means the Virginia Department of Housing and Community Development.

***Emergency shelter*** means a short-term housing facility for homeless persons.

***Fire protection system*** means a system including devices and equipment to detect a fire or actuate an alarm or suppress or control a fire, or any combination thereof.

***Grant Agreement*** means the contract between the Virginia Department of Housing and Community Development and the grantee containing the terms and conditions provided for within the Expansion Program.

***Grant-to-Value ratio*** means the ratio between the amount of the loan and the value of the property taking into account any indebtedness, which may have a prior lien position.

***Grantee*** means the nonprofit or local government that has been approved for funding under the Expansion Program.

***Gross income*** is the total income from all sources, before taxes or withholdings.

**HQS or Housing Quality Standards** means a set of structural and maintenance standards established by the U. S. Department of Housing and Urban Development.

**Handicapped Accessibility** means the absence of architectural or communication barriers, which restrict full access to a facility by an individual with a physical impairment.

**Homeless** means:

- (a) An individual or family which lacks a fixed, regular, and adequate nighttime residence; or
- (b) An individual or family, which has a primary nighttime residence, that is:
  - (1) A supervised publicly or privately operated shelter designed to provide temporary living conditions (including welfare hotels, congregate shelters, and transitional housing for persons with mental illness;
  - (2) An institution that provides a temporary residence for individuals intended to be institutionalized; or
  - (3) A public or private place not designed for, or ordinarily used as, as regular sleeping accommodation for human beings.
  - (4) The term does not include any individual imprisoned or otherwise detained pursuant to an Act of the Congress or a State law.
  - (5) The term does not include any individual or family living in structures that are not physically sound, or those who are living with friends or family in a structure meant to house one family or individual (doubled-up or overcrowded conditions).
  - (6) The term does not apply to those who are considered at imminent danger of becoming homeless due to eviction or foreclosure. If eviction or foreclosure occurs, the individual or family may be considered homeless if there are no other housing resources available to them.

**Homeless Facility** means a structure used as an emergency shelter or as transitional housing.

**HUD** means the U. S. Department of Housing and Urban Development.

**Lien** means the lender's interest in real and/or personal property in exchange for the advance of grant or loan funds.

**Locality or jurisdiction** means a city, county or town located within the Commonwealth of Virginia.

**Lower-income or Low-income** means 80% of median income as established by the U. S. Department of Housing and Urban Development.

**Maintenance** means routine repairs to a building or property to assure its continued safe, sanitary and energy-efficient use.

**Permanent loan** (or take out or primary loan) means long-term financing which allows the owner to pay for the cost of the development over the course of its useful life.

***Program or Expansion*** means the Expansion Program.

***Project*** means any site(s) or building(s), which are under common ownership, management and financing.

***Rehabilitation*** means substantial physical improvements/repairs to a facility, which will secure it structurally; correct building, health, or fire safety code defects; increase energy efficiency; and assure safe and sanitary occupancy.

***Replacement reserve*** means money set aside to fund emergency replacement or repair of major systems, including but not limited to, roof, plumbing, or electrical, which cannot be funded out of usual project income.

***Service area*** means the geographic area or jurisdiction served by a nonprofit organization or a local government applicant.

***Transitional housing*** means facilities for the homeless designed to meet their longer-term housing and human service needs, wherein the typical stay is over thirty (30) days and less than two years.

***Site control*** means the possession of and/or authorization to use real property by means of ownership, lease or option.

***Term*** means the period of time over which a loan is outstanding, from the time at which it is disbursed until the time it is entirely repaid, including repayment by operating the facility(s) assisted with Expansion Program funds as a facility(s) for homeless persons for ten years after closing or disbursement of funds.

***VHDA*** means the Virginia Housing Development Authority.

**ATTACHMENT: EXPANSION  
PROGRAM  
APPLICATION**





## EXPANSION PROGRAM APPLICATION

**SECTION 1: PROJECT SUMMARY** – Place pages 1-4 in the front of your application.  
No tab is necessary for this section

<b>Project Name:</b>	
<b>Project Address:</b>	
<b>A. Applicant/Project Sponsor Data</b>	
Name: _____	
Contact Person: _____	
Address: _____	
Phone Number: _____ Fax Number: _____	
Federal Identification Number: _____	
Type of Sponsor: _____ Non-Profit _____ Local Government	
<b>B. Owner Data (if difference from Applicant/Project Sponsor Data)</b>	
Name: _____	
Contact Person: _____	
Address: _____	
Phone Number: _____ Fax Number: _____	
Federal Identification Number: _____	
Type of Sponsor: _____ Non-Profit _____ Local Government	
<b>C. Request Summary</b>	
1. Total Development Costs	\$ _____
2. Expansion funds requested	\$ _____
3. Total Leverage (subtract 2 from 1)	\$ _____
4. Type of Financing Requested	
_____ Permanent Only	
_____ Permanent and Construction	

**D. Site Information**

The following information on the project site must be provided by all applicants:

1. Include a location map as ATTACHMENT A;
2. Include photographs of the site as ATTACHMENT B;
3. In the space below, provide directions to the site from the nearest interstate or major highway.

**E. Development Activity**

Check the appropriate category

- |  |   |                                      |
|--|---|--------------------------------------|
| <input type="checkbox"/> New Construction                    | <input type="checkbox"/> Adaptive Reuse             | <input type="checkbox"/> Acquisition |
| <input type="checkbox"/> Moderate Rehabilitation             | <input type="checkbox"/> Substantial Rehabilitation |                                      |
| <input type="checkbox"/> Acquisition/Moderate Rehabilitation |   |                                      |
| <input type="checkbox"/> Acquisition/Moderate Rehabilitation |   |                                      |

**E. Target Population**

Check all that apply:

- |  |   |
|--|---|
| <input type="checkbox"/> Unaccompanied Adult Men                                       | <input type="checkbox"/> Unaccompanied Adult Women        |
| <input type="checkbox"/> Unaccompanied Male Youth                                      | <input type="checkbox"/> Unaccompanied Female Youth       |
| <input type="checkbox"/> Single-Parent Families  | <input type="checkbox"/> Two-Parent Families              |
| <input type="checkbox"/> Adult Couples without Children                                | <input type="checkbox"/> Victims of Domestic Violence     |
| <input type="checkbox"/> Persons with Physical Disabilities                            | <input type="checkbox"/> Persons with Mental Disabilities |
| <input type="checkbox"/> Recovering Substance Abusers                                  | <input type="checkbox"/> Persons with HIV/AIDS            |
| <input type="checkbox"/> Other (specify and provide an explanation in the space below) |   |

## **G. Project Description Summary**

On no more than four typed pages, using 12-point type on standard 8 ½ x 11 paper, provide an overview of the proposed project. This description should be placed immediately after this page in your application. No tab is necessary for this part of the application.

Highlight any key aspects of the proposed project such as the total cost of development and the scope of the work, the type of facility (emergency shelter, transitional housing, etc.), the number of units or beds, the number of staff and their responsibilities, the targeted homeless population(s) to be served, and the average length of stay. If you are expanding an existing facility, identify the number of units or beds currently provided and the increased number planned for the proposed project.

Provide a clear and concise description of the proposed site and the building(s). How much land is involved? How many square feet are in the proposed building(s) or expansion? What is the age of an existing structure planned for acquisition or rehabilitation? Describe the physical layout of the building, including the number of floors, method of accessing upper stories (elevator, stairs), full basement or crawlspace, etc. Is the outside of the facility brick, wood stucco, or aluminum siding? Describe the current and proposed type of heating and cooling systems. Will the residents be responsible for utility bills? If the proposed project involves new construction, are water, sewer, and other utilities available at the site?

Describe the interior layout. Are there separate apartments or individual rooms? How many people will share a room? How many bathrooms? How many common areas? Describe the purpose and use of the common areas. What amenities will be available to the residents (microwaves, refrigerators, ranges, laundry facilities, recreational facilities). Will the amenities be available to residents in individual units or in the common areas? How many meals will be provided each day?

Describe the proximity of basic services such as police, fire, emergency medical, psychiatric, transportation, childcare, and social services to the proposed project site.

## H. Statement of Applicant

The undersigned hereby acknowledges the following:

1. To the best of my knowledge and belief, all factual information provided herein or in connection herewith is true and correct and all estimates are reasonable;
2. That the applicant or owner will, at all times, indemnify and hold harmless the Virginia Department of Housing and Community Development (Department) and its assigns all losses, costs, damages, expenses, and liabilities of any nature directly or indirectly resulting from, arising out of, or relating to the acceptance, consideration, approval, or disapproval of this grant request and the issuance or non-issuance of an allocation of Expansion Program funds in connection herewith;
3. The Expansion Program funds will be reserved only for representations made herein for which satisfactory documentation is submitted herewith and that any revised representations made in connection with this application must be approved in writing by the Department; and
4. That the Department may request or require changes in the information submitted herewith and may substitute its own figures, which it deems reasonable for any or all figures provided herein by the undersigned.

In witness thereof, the undersigned, being duly authorized, has caused this document to be executed in its name on this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_\_\_.

\_\_\_\_\_  
Type Legal Name of Applicant

By: \_\_\_\_\_  
Signature of Authorized Representative

Its: \_\_\_\_\_  
Position or Title of Authorized Representative

Place the completed Statement immediately after the Project Description Summary in your application. No tab is necessary for this section.

**SECTION II: PUBLIC PURPOSE** – Place pages 5-7 and the accompanying narratives in a section Marked “Public Purpose” by a tab.

**A. Needs Assessment**

**1. Acquisition, New Construction, or Expansion of an Existing Facility**

Using no more than five typed pages, using 12-point type on standard 8 ½ x 11 paper, describe in detail the need for additional emergency shelter or transitional housing beds in your service area. This description should be placed immediately after this page in your application. Summarize or cite evidence from public sources to document the need for your proposed project. Some sources are the U.S. Census, a local or regional Continuum of Care Plan, local or regional housing studies which refer to the homeless population(s) you have chosen to serve, or local or regional newspaper articles. You may wish to communicate with some of the following local and regional organizational resources: planning agencies, public housing authorities, and human service agencies such as the Department of Social Service, Community Service Board, Area Agency on Aging, Disability Service Board, Community Action Agency, or the United Way Information and Referral Service. Do not use state or national statistics. Include the number of persons turned away from other homeless facilities in your service area due to a lack of bed space or because these persons did not belong to targeted population(s) served by the facilities. If there are no homeless facilities in your service area, include this fact in your narrative. Use the Comparable Projects Survey Form to summarize information about similar facilities in your service area. You may use as many copies of this form as necessary.

Describe in detail the characteristics and needs of the population you intend to serve. Explain why you chose to serve the identified homeless population(s).

Provide letters from local and/or regional officials and service providers, or copies of the relevant sections(s) of documents verifying the need for your proposed project in the area as ATTACHMENT C.

**2. Acquisition or Refinancing of an Existing Facility**

If you are applying to acquire an existing facility or refinance an existing mortgage, on no more than three typed pages, using 12 point type on standard 8 ½ x 11 paper, explain how and why the existing emergency shelter or transitional housing units or beds will be lost without funding through the Expansion Program. Include this narrative immediately after this page in your application. Submit supporting documentation for your need for Expansion Program funds as ATTACHMENT D.

DHCD will have discretion regarding the eligibility of any application primarily requesting Expansion Program grant funds for the acquisition or refinancing of an existing facility. Applications under this category will not be accepted before May 1, 2004.

### Comparable Projects Survey

In the space below, provide the requested information about similar facilities located in the same general area of your proposed project. If you need additional space, you may copy this Survey as many times as necessary.

Facility Name: \_\_\_\_\_

Address: \_\_\_\_\_

Contact Person: \_\_\_\_\_ Phone Number: \_\_\_\_\_

Number of Beds/Units: \_\_\_\_\_ Average Length of Stay: \_\_\_\_\_

Population(s) Served: \_\_\_\_\_

Number of Current Vacancies: \_\_\_\_\_ Reason(s) for Vacancies: \_\_\_\_\_

Comments: \_\_\_\_\_

Facility Name: \_\_\_\_\_

Address: \_\_\_\_\_

Contact Person: \_\_\_\_\_ Phone Number: \_\_\_\_\_

Number of Beds/Units: \_\_\_\_\_ Average Length of Stay: \_\_\_\_\_

Population(s) Served: \_\_\_\_\_

Number of Current Vacancies: \_\_\_\_\_ Reason(s) for Vacancies: \_\_\_\_\_

Comments: \_\_\_\_\_

Facility Name: \_\_\_\_\_

Address: \_\_\_\_\_

Contact Person: \_\_\_\_\_ Phone Number: \_\_\_\_\_

Number of Beds/Units: \_\_\_\_\_ Average Length of Stay: \_\_\_\_\_

Population(s) Served: \_\_\_\_\_

Number of Current Vacancies: \_\_\_\_\_ Reason(s) for Vacancies: \_\_\_\_\_

Comments: \_\_\_\_\_

## **B. Community Impact**

On no more than two typed pages, using 12-point type on standard 8 ½ x 11 paper, describe how your proposed project will contribute to the social, economic, or physical revitalization of the neighborhood or community in which it is located. This description should be placed immediately after this page in your application.

Examples:

- Collaboration with local officials in a community improvement program, a commercial area revitalization district, or a “Main Street” program.
- The inclusion of the project as part of a local community development corporation’s plan to revitalize the neighborhood or community.
- Collaboration with a local service provider, such as a Community Services Board, to provide services to target population(s) that are currently unavailable and have been identified in a local or regional Continuum of Care Plan as necessary for the locality or region.

## **C. Accessibility Features**

Under the requirements of the Expansion program, a minimum of 5% of units and 100% of common areas in a project meet the Americans with Disabilities Act (ADA) guidelines for accessibility to persons with physical disabilities. The local building code may place additional or more stringent accessibility requirements.

Using the space below, describe how the proposed project will meet the minimum required by the Expansion program. Describe any features, which promote accessibility for persons with physical disabilities such as ramps, doorway(s) and hall way(s) width, bathrooms hardware and fixtures, signage in Braille, TTD’s, or TTY’s, or audio/visual emergency systems.

**SECTION III: PROGRAM DESIGN** – Place page 8 and the accompanying narratives in a Section marked “Program Design” by a tab.

**A. Program Design Summary**

On no more than seven typed pages, using 12-point type on standard 8 ½ x 11 paper, describe in detail the supportive services that will be offered to residents of the proposed facility. This description should be placed immediately after this page in your application.

The supportive services program should address the needs of the population(s) intended to reside in the facility; at a minimum, individual/family needs assessment, case management, and information and referral must be provided. Include procedures for screening, intake, orientation, and needs assessment, and a description of the case management model. For all services planned to be provided through linkages in the community, include letters from other service providers stating that they will provide a particular service(s) to homeless clients residing in your proposed project as ATTACHMENT E. Describe all applicable policies and procedures affecting the health and safety of residents. Such policies and procedures may include, but are not limited to, those relating to:

- Drug free shelter and workplace;
- Fire emergency, including frequency of fire drills and methods of notification of fire, escape routes;
- Natural disaster;
- Medical and mental health emergency;
- Allegations of sexual abuse or physical assault;
- Precautions for handling residents with infectious disease;
- Methods of eliminating or minimizing exposure to blood borne pathogens; and
- Plans for cleaning the facility, especially food preparation and food service areas.

**B. Displacement Plan**

1. Will this project cause the displacement of individuals or families?  
\_\_\_\_\_ Yes \_\_\_\_\_ No
2. If yes, will this displacement be temporary or permanent?  
\_\_\_\_\_ Temporary \_\_\_\_\_ Permanent
3. Enter the number of persons (total number of persons, including single individuals and those in family units) who will be displaced? \_\_\_\_\_
4. If displacement will occur, on no more than two typed pages, using 12 point type on standard 8 ½ 11 paper, provide a detailed explanation of your plan to address this problem, including all services and benefits to be provided to displaced residents as ATTACHMENT F. All costs associated with displacement must be included in the proposed project budget.



**SECTION IV: PROJECT READINESS** – Place pages 9 in a section marked “Project Readiness” by a tab.

<b>A. Site Control and Property Information</b>
Indicate the current site control status of your proposed project by providing documented evidence in the form of an <b>OPTION TO PURCHASE, PURCHASE CONTRACT, DEED, or LEASE AGREEMENT</b> as ATTACHMENT G. If more than one site is involved in the proposed project, documentation must be provided for each site. <u>If you are entering into an OPTION TO PURCHASE, it is recommended that the term of the option be no less than six months with the possibility of renewal at the end of the original term.</u> <u>If you are entering into a Lease agreement, the term of the lease must be for a minimum of five years, renewable for an additional five years.</u>
<b>B. Zoning</b>
Appropriate Zoning is a requirement for processing this application. Submit documentation of appropriate zoning for your proposed project as ATTACHMENT H. Acceptable documentation may include the following: <ul style="list-style-type: none"><li>➤ A letter from the authorized local zoning official stating that the proposed project is in compliance with the local zoning ordinance; or</li><li>➤ A copy of the portion of the local zoning map which clearly indicates the zoning designation of the proposed site, and a copy of the corresponding zoning ordinance, which defines the allowable uses for that designation.</li></ul>
<b>C. Request Summary</b>
Include the following as ATTACHMENT I: <ul style="list-style-type: none"><li>➤ Site plan;</li><li>➤ Line drawing of the proposed structure including dimensions, elevations, and mechanicals;</li><li>➤ Outline specifications; and</li><li>➤ Contract or letter of agreement with an architect documenting they will be providing design services for the proposed project.</li></ul>
<b>D. Unusual Site Features</b>
Using the space below, describe any unusual site features or obstacles to development.

**SECTION V: PROJECT FEASIBILITY** – Place pages 10-15 in a section marked  
“Project Feasibility” by a tab.

<b>A. Development Budget</b>			
1. Contractor Cost			
a. Land Improvements			
(1) Off-Site Improvements	_____		
(2) Site Work	_____		
(3) Demolition	_____		
(4) Landscaping	_____		
(5) Other (specify)	_____		
<b>Land Improvement Subtotal</b>			\$ _____
b. Hazardous Materials			
(1) Asbestos Removal	_____		
(2) Lead Paint Removal	_____		
(3) Lead Paint Abatement	_____		
(4) Other (specify)	_____		
<b>Hazardous Materials Subtotal</b>			\$ _____
c. Structures			
(1) New Construction			
(\$ _____/esq.)	_____		
(2) Rehabilitation			
(\$ _____/sq. ft.)	_____		
<b>Structures Subtotal</b>			\$ _____
d. Fees/Profit/Contractor Expenses			
(1) General Requirements	_____		
(2) Builder's Overhead	_____		
(3) Builder's Profit	_____		
(4) Bonding Fee	_____		
<b>Fees/Profit/Contractor Expenses Subtotal</b>			\$ _____
<b>Total Contractor Cost (1a+1b+1c+1d)</b>			\$ _____

2. Other Costs and Fees

a. Carrying Costs

(1) Architectural/Engineering Fee – Design

(\$ \_\_\_\_\_ per unit) \_\_\_\_\_

(2) Architectural Fee- Supervision

(\$ \_\_\_\_\_ per unit) \_\_\_\_\_

(3) Development Consultant's Fee \_\_\_\_\_

(4) Building Permit \_\_\_\_\_

(5) Tap Fees \_\_\_\_\_

(6) Soil Boring \_\_\_\_\_

(7) Furniture/Appliances/Equipment \_\_\_\_\_

**Carry Costs Subtotal**

\$ \_\_\_\_\_

b. Construction Financing Costs

(1) Construction Loan Origination Fee \_\_\_\_\_

(2) Interest during Construction

( \_\_\_\_\_ % for \_\_\_\_\_ months) \_\_\_\_\_

(3) Taxes during Construction \_\_\_\_\_

(4) Insurance during Construction \_\_\_\_\_

(5) Contingency Reserve

(10% of Contractors Costs) \_\_\_\_\_

**Construction Financing Costs Subtotal**

\$ \_\_\_\_\_

c. Studies and Tests Fees

(1) Structural/Mechanical Study \_\_\_\_\_

(2) Market Study \_\_\_\_\_

(3) Phase I Environmental Assessment \_\_\_\_\_

(4) Asbestos Inspection \_\_\_\_\_

(5) Lead Pain Inspection \_\_\_\_\_

**Studies and Fees Subtotal**

\$ \_\_\_\_\_

d. Closing Costs

(1) Appraisal Fee \_\_\_\_\_

(2) Termite Inspection and Treatment \_\_\_\_\_

(3) Cost Certification and Audit Fee \_\_\_\_\_

(4) Title and Recording Expense \_\_\_\_\_

(5) Legal Expenses during Closing \_\_\_\_\_

(6) Mortgage Insurance Fee \_\_\_\_\_

(7) Other (specify) \_\_\_\_\_

**Closing Costs Subtotal**

\$ \_\_\_\_\_

**Total Contractor Cost (2a+2b+2c+2d)**

\$ \_\_\_\_\_

3. Total Development Costs

- a. Total Improvement Costs (Sum of 1 and 2) \$\_\_\_\_\_
- b. Cost of Land or Existing Structures \_\_\_\_\_
- c. Other Costs (specify) \_\_\_\_\_

**TOTAL DEVELOPMENT COSTS (3a+3b+3c)** \$\_\_\_\_\_

Development Budget Endnote:

Provide a Construction Trades Payment Breakdown from a qualified contractor as part of  
**ATTACHMENT J.**

**B. Development Financing****1. Project Financing**

A. **Construction Financing:** List all sources of construction financing for your proposed project.

Source of funds*	Date of Application	Date of Commitment	Grant or Loan	Amount	Name and Phone Number of Contact Person
			G L		
			G L		
			G L		
			G L		
TOTAL FUNDS FOR CONSTRUCTION FINANCING \$					

\* Include commitments or letters of interest as ATTACHMENT K

B. **Permanent financing:** List all sources of permanent financing for your proposed project.

Source of funds*	Date of Application	Date of Commitment	Grant or Loan	Amount	Interest Rate	Amortization Period	Term
			G L				
			G L				
			G L				
			G L				
			G L				
TOTAL FUNDS FOR PERMANENT FINANCING \$							

\* Include commitments or letters of interest as ATTACHMENT L

**C. Summary of Sources and Uses**

- |     |   |    |
|-----|---|----|
| (1) | Total of all Sources of Permanent Financing | \$ |
| (2) | Total Development Costs(SECTION IV., A3)    | \$ |

## 2. Construction Financing

The Expansion Program does not usually provide construction financing. However, construction financing may be provided to applicants who document at least two unsuccessful efforts to obtain construction financing from conventional sources. If you are requesting construction financing from the Expansion Program, explain the reason in the space below. Attach documentation for your unsuccessful attempts to obtain construction financing from other sources as ATTACHMENT M.



<b>C. Project Time Line</b>		
Activity	Anticipated Date	Person Responsible
<b>1. Site</b>		
a. Option/Contract		
b. Site Acquisition		
c. Zoning Plan		
d. Site Plan Approval		
<b>2. Construction Financing</b>		
a. Loan Application(s)		
b. Conditional Commitment(s)		
c. Firm Commitment(s)		
<b>3. Permanent Financing</b>		
a. Loan Application(s)		
b. Conditional Commitment(s)		
c. Firm Commitment(s)		
<b>4. Additional Loans and Grants</b>		
a. Type and Source*		
b. Application(s)		
c. Award(s)/Commitment(s)		
5. Completion of Plans and Specs		
6. Closing on Property		
7. Building Permit Issued		
8. Start of Construction		
9. Completion of Construction		
10. Full Occupancy		
11. Licensure (if necessary)		

**Include a listing of all additional loans and grants as ATTACHMENT N.**



**SECTION VI. OPERATING BUDGETS -**

Place all completed operating budgets (year 1 and years 2 - 5) in a section marked Operating Budgets by a tab.

The purpose of the operating budgets is to identify the sources and uses of funds necessary to operate the proposed project when it is ready for residents. Complete the information as appropriate to your proposed project. For the first operating year, provide a written explanation of, or documentation in the form of a letter of interest or commitment from, the identified sources of operating funds in ATTACHMENT O. For subsequent operating years, use your best estimates for both sources and uses of funds.

<b>A. Operating Sources</b>	
<b>1. Sources of Income</b>	
<b>Funding Source</b>	<b>Amount of Funding</b>
<b>a. Federal Government</b>	
	\$ \$
<b>b. State Government</b>	
	\$ \$
<b>c. Local Government</b>	
	\$ \$
<b>d. Foundations/Grants</b>	
	\$ \$
<b>e. Private Contributions</b>	
	\$ \$
<b>f. In-kind Contributions</b>	
	\$
<b>g. Fund-raising</b>	
	\$
<b>h. Fees/Rental Income</b>	
	\$
<b>TOTAL POTENTIAL GROSS INCOME</b>	<b>\$</b>

*Attach additional copies if necessary*

<b>B. Operating Uses</b>		
1.	<u>Administrative:</u>	
a.	Advertising/Marketing	\$
b.	Management Fee	\$
c.	Legal	\$
d.	Accounting/Audit/Audited Financial Statements	\$
e.	Administrative Payroll/Payroll Taxes	\$
f.	Other Administrative:	\$
2.	<u>Maintenance:</u>	
a.	Maintenance Supplies/Equipment	\$
b.	Contracted Services	\$
c.	Maintenance Payroll/Payroll Taxes	\$
d.	Other Maintenance:	\$
3.	<u>Operating:</u>	
a.	Fuel (Heating and Hot Water)	\$
b.	Electricity	\$
c.	Water/Sewer	\$
d.	Furniture/Equipment	\$
e.	Gas	\$
f.	Trash Removal	\$
g.	Other Payroll/Payroll Taxes	\$
h.	Staff Apartment(s)	\$
i.	Insurance	\$
j.	Real Estate Taxes	\$
k.	Other Taxes	\$
l.	Annual Replacement Reserve (6% of Total Development Costs)	\$
m.	Security	\$
n.	Other Operating:	\$

4.	<u>Services:</u>	
a.	Food	\$
b.	Transportation	\$
c.	Household Supplies	\$
d.	Personal Care Supplies	\$
e.	Day Care	\$
f.	Supportive Service Staff Payroll/Payroll Taxes	\$
g.	Other Service Costs:	\$
5.	<u>Totals:</u>	
a.	Total Operating Expenses (sum of B1 through B4)	\$
b.	Total Operating Expense Per Bed or Per Unit	\$
c.	Total Operating Expense as a Percentage of Gross Income	\$
<b>C. Cash Flow</b>		
1.	Total Potential Gross Income (SECTION V., A.)	\$
2.	Total Operating Expenses (SECTION V., B.)	\$
3.	Net Operating Income (C1 less C2)	\$
4.	Total Annual Debt Service (SECTION IV., B.)	\$
5.	Cash Flow Available for Distribution (C3 less C4)	\$

All applicants must submit Operating Budgets for five years. The Operating Budget for years 2 through 5 is included in the Application Manual as Appendix 5. For years 2 through 5, documentation of the sources and uses of funds should be included in ATTACHMENT P, as available. Include completed Operating Budget for years 2 through 5 immediately following this page in your application.

**SECTION VII. ADMINISTRATIVE CAPACITY -** Place pages 19 and 20 and the accompanying narratives in a section marked Administrative Capacity by a tab.

**A. Development Team**

Complete the following as applicable to the proposed project. Include a resume or corporate profile of each member of the Development Team as ATTACHMENT Q.

1. General Contractor:

Firm:

Address:

Phone Number: \_\_\_\_\_ Fax Number:

2. Architect/Engineer:

Firm:

Address:

Phone Number: \_\_\_\_\_ Fax Number:

3. Real Estate Attorney:

Firm:

Address:

Phone Number: \_\_\_\_\_ Fax Number:

4. Consultant:

Firm:

Address:

Phone Number: \_\_\_\_\_ Fax Number:

4. Other(specify name and role):

Firm:

Address:

Phone Number: \_\_\_\_\_ Fax Number:

<b>B. Management</b>
On no more than two typed pages, using 12-point type on standard 8 ½ x 11 paper, describe the relevant experience of the individual or organization responsible for the day-to-day management of the proposed facility. This description should be placed immediately after this page in your application. Include a resume or corporate profile of the manager or management organization as ATTACHMENT R.
<b>C. Project Sponsor</b>
On no more than five typed pages, using 12 point type on standard 8 ½ x 11 paper, describe the project sponsors administrative structure, staffing pattern, and a summary of the responsibilities of each staff position. Describe the project sponsors experience in the provision of shelter and services to homeless persons or other low-income persons. This description should be placed immediately after the description of Management pages. Include resumes, as available, and position descriptions for all staff positions as ATTACHMENT S.
<b>D. Additional Information</b>
<p>Non-profit organization applicants must provide, as ATTACHMENT T, a copy of the Articles of Incorporation, By-Laws, 501 (c) (3) identification, the most recent audit or financial review, and a list of the Board of Directors. This list should include names, addresses, phone numbers, and occupations. Indicate and explain which board members have experience with an emergency shelter or transitional housing facility.</p> <p>Local government applicants must provide, as ATTACHMENT U, an organizational chart indicating the lines of authority from the proposed project to the Chief Executive Officer. Provide resumes for key administrative and supervisory personnel who will be involved with the proposed project.</p>

## SECTION VIII. ATTACHMENT CHECK LIST

Attachments to be included as a part of the Expansion Application. Please attach and label all documents in the order and manner requested below. Check (%) the box beside each Attachment that is included as a part of your application. Place page 21 in a section marked ACheck List≡ by a tab. This tabbed section should be placed immediately before Attachment A in your application.

- ☐ ATTACHMENT A: Location Map
- ☐ ATTACHMENT B: Photographs
- ☐ ATTACHMENT C: Documentation of need for proposed project
- ☐ ATTACHMENT D: Documentation for acquisition or refinancing an existing facility
- ☐ ATTACHMENT E: Documentation of linkages with other service providers
- ☐ ATTACHMENT F: Displacement plan
- ☐ ATTACHMENT G: Site control documentation
- ☐ ATTACHMENT H: Zoning documentation
- ☐ ATTACHMENT I: Site plan, floor plan, specifications, and contract or letter of agreement with architect
- ☐ ATTACHMENT J: Trades payment breakdown
- ☐ ATTACHMENT K: Letters of interest or commitment from sources of construction financing
- ☐ ATTACHMENT L: Letters of interest or commitment from sources of permanent financing
- ☐ ATTACHMENT M: Documentation of attempts to obtain construction financing
- ☐ ATTACHMENT N: List of loans and grants for financing proposed project
- ☐ ATTACHMENT O: Documentation of 1st year operating income other than rent payments from tenants
- ☐ ATTACHMENT P: Documentation of operating income other than rent for years 2 - 5
- ☐ ATTACHMENT Q: Development team documentation
- ☐ ATTACHMENT R: Manager or management team's documentation
- ☐ ATTACHMENT S: Documentation of project sponsor capacity
- ☐ ATTACHMENT T: Nonprofit information (*Internal Revenue 501 (c) designation, Articles of Incorporation, State Corporation Certificate, Agency By-laws, and Organizational Chart and Staff Structure*)
- ☐ ATTACHMENT U: Local government information
- ☐ ATTACHMENT V: Completed environmental checklist